

**INDIANA ARTS COMMISSION
EXECUTIVE COMMITTEE TELECONFERENCE**

May 16, 2012

IAC Office, 100 N. Senate Avenue, Room N505
Indianapolis, Indiana 46204

Jon Ford, Chair

Minutes

Members present: none

Members via teleconference: Karen Ellerbrook, Jon Ford, Judy Hess, Pam Hicks, Jeff Kirk, Trevor Yager

Members absent: none

IAC staff present: Michelle Anderson, Lewis Ricci

1. **State Board of Accounts Review.** IAC Chair Jon Ford opened the teleconference at 10:00 a.m. IAC Executive Director Lewis Ricci reported that IAC recently underwent a review by the State Board of Accounts. This was a procedure similar to a full audit, however not as deep-delving. The IAC passed the review with no items cited for shortcomings. Mr. Ricci expressed appreciation to IAC Deputy Director Michelle Anderson and other staff members for their diligent work in handling financial procedures and following state guidelines. Commissioner Karen Ellerbrook added her congratulations, as did Commissioner Pam Hicks.

2. **FY 2012 Financials.**

A. Mr. Ricci presented a handout (attached) showing the IAC FY 2012 budget current through May 8, 2012. Commissioner Karen Ellerbrook and Commissioner Judy Hess asked Mr. Ricci about the expense line for communication/conference call services, shown as \$16,432. Ms. Anderson replied that the budget line includes not only conference calling, which is relatively inexpensive, but also other costs such as staff cell phones, and services from the Indiana Department of Technology. Ms. Anderson offered to provide a more thorough description of budgetary items for the regularly scheduled meeting of the Executive Committee on June 6.

B. Mr. Ricci presented a handout (attached) showing the projected FY 2012 end-of-year budget. FY 2012 will end on June 30, 2012. Mr. Ricci explained the "carry forward" portion of the budget which will transfer into the FY 2013 budget.

3. **Preliminary FY 2013 Budget.** Mr. Ricci presented a handout (attached) showing the proposed IAC budget for FY 2013, which will take effect on July 1. Mr. Ricci explained that the proposed budget is a balanced budget based on a state-mandated

3% holdback of funds. Mr. Ricci reminded the Committee that FY 2013 is the second year of a two-year budget cycle at the state level; FY 2014 will bring a new administration and a new budget cycle. Ms. Ellerbrook asked if the 3% holdback could be appealed and re-instated. Mr. Ricci replied that it was unlikely to be restored, but that a case could be put forward to the budget office. Mr. Ricci added that the FY 2013 budget includes some funds that could be used to contract private accounting services, if IAC decides not to renew the current contract for accounting services with the State Board of Accounts. Ms. Anderson added that IAC will soon have a draft of the contract renewal with SBA. Ms. Hess asked that the Commission be provided with the “pros and cons” of renewing the SBA contract or switching to a private contractor. Mr. Ricci reported that the National Endowment for the Arts will have a 9% cut in its budget for FY 2013, which will result in about a 6% reduction in funding for the state of Indiana.

4. **Old Business.** Ms. Anderson reported that the winner of the Indiana Poetry Out Loud Competition, Jordan Mather-Licht from Broad Ripple High School in Indianapolis, did not advance in the nation competition recently held in Washington DC. Ms. Anderson also reported that the national Poetry Out Loud competition will experience an 11% budget decrease for FY 2013. Commission Chair Jon Ford asked Mr. Ricci about his recent Arts Midwest summit meeting. Mr. Ricci said that although he appreciated the effort of the meeting to “re-invent” the idea of a state arts agency, he was ultimately disappointed in the exercise as a useful tool.

5. **New Business.** There was no new business.

6. **Adjourn.** Mr. Ford thanked everyone for their participation and closed the meeting at 10:45 a.m.